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File:	PROCUREMENT	
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LEGISLATIVE ANALYSIS

Bill No. H.R. 1	.446	Report	No		Companion	No.
ritle: none					, , , , , , , , , , , , , , , , , , , 	
Subject: armed s	services pi	cocurement	of major	weapon sy	stems	
Amends. none-	freestandi	ng				
Contacts:						
Conclusion:	<u>¥</u> 7	No Agend	cy object:	ion		
	4	Agency (bjection	and/or ne	eds amendmen	it

This bill would place certain restrictions on the way in which the Department of Defense procures "major defense systems". As the Agency does not procure "major defense systems" as defined in the bill, the Agency has no interest in or objection to this legislation. Based on the fact that it has only one sponsor, however, it does not appear that this bill will see any action in any event.



3 MAR 1983

Ι

98TH CONGRESS H. R. 1446

To promote cost-savings and efficiency in government by providing for an independent contract study of certain proposed major expenditures before a final decision is made to proceed with such expenditures.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 15, 1983

Mr. Frank introduced the following bill; which was referred to the Committee on Armed Services

A BILL

To promote cost-savings and efficiency in government by providing for an independent contract study of certain proposed major expenditures before a final decision is made to proceed with such expenditures.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 That (a) before a final decision is made to proceed with pro-
- 4 curement of the state of the
- 5 shall provide for an independent analysis of the pro-
- 6 posed defense system by a private contractor. Consideration
- 7 of the results of the study shall be incorporated into the proc-
- 8 ess for making a decision on whether or not to proceed with

1	acquisition of the system, and such study shall be reviewed
2	by the Secretary of Defense before a final decision on such
3	acquisition is made.
4	(b) Each contract under subsection (a) shall require that
5	the contractor submit to the Secretary of Defense as expedi-
6	tiously as possible a report containing the results of the con-
7	tractor's study of the proposed defense system. Such report
8	shall include the contractor's conclusions regarding—
9	(1) the effect of the proposed defense system, it
10	deployed, on the strategic balance;
11	(2) the inflationary impact, if any, of the proposed
12	defense system;
13	(3) the environmental impact, if any, of the pro-
14	posed defense system;
15	(4) the effect of the proposed defense system on
16	industry and employment in the United States and on
17	the defense industrial base of the United States;
18	(5) the effect of the proposed defense system on
19	the civilian population, including any population dis-
20	placement or risk of population displacement caused by
21	the system;
22	(6) the effect of the proposed defense system on
23	other defense programs and on the total level of Feder-
24	al expenditures;

1	(7) the effect of the proposed defense system on
2	defense personnel requirements; and
3	(8) lifetime maintenance requirements and costs of
4	the proposed defense system.
5	SEC. 2. Before a final decision on acquisition of a major
6	new defense system is made, the Secretary of Defense shall
7	submit a copy of the report received under this Act with
8	respect to such system to the appropriate committees of Con-
9	gress and shall make the unclassified portions of such report
10	available to the public.
11	SEC. 3. (a) In selecting contractors for contracts under
12	this section, the Secretary of Defense shall give preference to
13	contractors (1) who are not (or whose employees do not in-
14	clude significant numbers of) retired or former members of
15	the Armed Forces or retired civilian employees of the De-
16	partment of Defense, and (2) who are not involved in re-
17	search and development or production of defense systems.
18	(b)(1) Each proposed contract under this Act shall be
19	reviewed for the purpose of determining the suitability of the
20	proposed contractor before the contract is awarded. Such
21	review shall be conducted by a seven member panel appoint-
22	ed as follows:
23	(A) Three members appointed by the Secretary of
24	Defense.